



FISCAL MEMORANDUM

SB 270 - HB 318

March 21, 2023

SUMMARY OF BILL AS AMENDED (006190): Authorizes interested adoptive parents to pay a reasonable amount for costs related to the pregnancy to the biological mother for the duration of the pregnancy and 90 days after the birth or surrender of the child, and allows for up to two years of counseling for the biological mother to be paid for by the interested adoptive parents.

Authorizes surrenders of children to be made either in chambers before a judge, as currently required, or over a virtual video platform on which the court sees the person surrendering the child. Authorizes surrenders or parental consent to be executed at any time prior to birth, under certain conditions.

Prohibits identifying information from sealed records to be released if the adopted person's biological parent has executed a request for the redaction of identifying information when the adopted person was less than six months old. Establishes that the Department of Children's Services (DCS) must strive to identify and finalize a safe, stable, and permanent home for children in its custody. Requires all plans established for children in foster care to include a list of available services from other state programs and agencies. Requires DCS to permit foster parents a period of respite for up to six months free from placement of a foster child in their home, with follow-up contacts occurring at least every three months without the threat of reprisal.

FISCAL IMPACT OF BILL AS AMENDED:

Increase State Expenditures – \$980,700/FY23-24 and Subsequent Years

Increase Federal Expenditures – \$657,200/FY23-24 and Subsequent Years

The Governor's proposed budget for FY23-24, on page A-33, recognizes a recurring increase in state expenditures to the General Fund of \$1,168,100, and a recurring increase in federal expenditures of \$346,400.

Assumptions for the bill as amended:

- It is assumed that any reasonable payments made between potential adoptive parents and the biological mother will not have any significant impact to DCS.

- In order for DCS to best identify and finalize a safe, stable, and permanent home for children in its custody, DCS will need to hire the following positions:
 - Five Associate Council positions, which will result in a recurring increase in expenditures of \$800,425 $[(\$131,004 \text{ salary} + \$29,081 \text{ benefits}) \times 5 \text{ positions}]$ in FY23-24 and subsequent years; and
 - Five Administrative Secretary positions, which will result in a recurring increase in expenditures of \$312,450 $[(\$47,304 \text{ salary} + \$15,186 \text{ benefits}) \times 5 \text{ positions}]$ in FY23-24 and subsequent years.
- The total increase in expenditures as a result of these new positions will be \$1,112,875 $(\$800,425 + \$312,450)$ in FY23-24 and subsequent years.
- It will also be necessary for DCS to contract with a private provider to provide case management for these cases.
- It is estimated that DCS will have to hire five contract case workers, who will each manage fifteen cases every six months.
- The cost per case will be \$3,500; therefore, the total recurring increase in state expenditures associated with contracting case workings will be \$525,000 $(5 \text{ workers} \times 15 \text{ cases} \times 2 \text{ times per year} \times \$3,500 \text{ per case})$.
- The recurring increase in expenditures of \$1,637,875 $(\$1,112,875 + \$525,000)$ will consist of:
 - 44 percent, or \$720,665 $(\$1,637,875 \times 44\%)$, in state funding,
 - 10 percent, or \$163,788 $(\$1,637,875 \times 10\%)$, in Title IV-E federal funding, and
 - 46 percent, or \$753,422 $(\$1,637,875 \times 46\%)$ in TennCare funding, of which:
 - 34.515 percent, or \$260,044 $(\$753,422 \times 34.515\%)$ is state and
 - 65.485 percent, or \$493,378 $(\$753,422 \times 65.485\%)$ is federal.
- The compilation and distribution of a list of available services provided by other state programs or agencies can be accomplished with existing resources and personnel of DCS.
- It is assumed that inclusion of such information will not result in a significant increase in demand of other state programs and agencies to require an increase in resources and personnel.
- Tennessee Code Annotated § 37-2-415(a)(22) currently permits foster parents to have a period of respite from the placement of a foster child. The proposed legislation specifies that this period may be for up to six months.
- It is assumed that this specification will not create any significant change in the number of foster parents who are available at any given time.
- The total increase in state expenditures will be \$980,709 $(\$720,665 + \$260,044)$ in FY23-24 and subsequent years.
- The total increase in federal expenditures will be \$657,166 $(\$163,788 + \$493,378)$ in FY23-24 and subsequent years.
- Any impact on the court system is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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